

LONG-TERM OBJECTIVE 1.3

Minimize the taxation burden on small business through effective advocacy.

The President's Small Business Agenda seeks to keep the tax burden on small businesses at a minimum to encourage economic growth and prosperity.

Small businesses, as defined by the SBA size standard, make up over 99% of all U.S. businesses and employ over one-half of the American workforce. Perhaps even more importantly, small firms create over two-thirds of the net new jobs annually, and recently led the American economy out of a recession. Yet, small business accomplishes this while facing a regulatory compliance burden that is roughly 60% greater per employee than that faced by larger firms, and a tax compliance burden more than twice as large.

The SBA, through the Office of Strategic Alliances, contributed to reducing the tax burden on small businesses by working with the IRS in executing and promoting co-sponsored activities, including



distributing training CDs that provide current information on small business tax issues. SBA also developed alliances with associations interested in tax policy to share educational material with their membership and the broader small business community. The SBA developed over 20 agreements to help relay information on issues such as tax relief for small business. The SBA's National Advisory Council members offered the Agency input on small business tax issues, which enabled SBA to be more responsive to their concerns.